

March 19, 2002

REC'D TN
REGULATORY AUTH.

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OFFICE OF THE
EXECUTIVE SECRETARY

Mr. Butch Phillips, TRA

The G.L. accounts that I need a number for are highlighted and have an "*" before them. I believe I have used the correct G.L. number on most and I still placed the "NARUC" comment on the titles – this helps me to know which ones are within NARCU guidelines and which ones are not.

The account descriptions are what I plan to use – if they are incorrect, please place the correct description beside the line.

If you could place the correct G. L. acct. number beside the accounts which are in bold, answer the following questions and fax back to me, I would very much appreciate it. If you would like to simply place the correct G.L. accounting entry under the appropriate question, it would probably expedite it to where I can get this resolved much faster.

Thank you very much,

Kerry Williams

Kerry Williams,
Aqua Utilities

QUESTIONS:

1. Accounts receivable G.L. number is 141 for water and wastewater. When recording sales for a month, use this same acct. number for both the water and wastewater portions of monthly billing?
2. Should the large note payable which is in the name of Montana Land company be showing on Aqua's books?
3. Is it necessary to separate water late charge revenue from wastewater late charge revenue? If so, can we use 50% of the charge for water and 50% for wastewater? Software does not break out water late charges from wastewater late charges.

POSTED
4/4/02

4. Does the water that Aqua Utility purchases need to be broken out in some way between water and wastewater? Or run all to "Purchased Water" G.L. #610.
5. On TRA finding #6 - I need to know the correct acct. numbers to use to make this entry. (453,000.00 in capitalized plant costs)
6. This question concerns TRA finding #7. I have made adjusting entries, but need to know the correct acct. numbers for water C.I.A.C. and wastewater C.I.A.C. so that I may split this amount evenly as the finding instructs us to do.
7. TRA finding #9. What acct. numbers should be used to reclass the 4,650.00 in repair expense and capitalize it?
8. Is there anything we need to do concerning TRA finding #10 - 250.00 for tax prep. expense.
9. TRA finding #11 - I need to know the G.L. acct. numbers to use for this G.L. entry. Accumulated depreciation.
10. Did I understand you to say that we can charge 250.00 for water tap fee and 250.00 for wastewater tap fee for a total of 500.00?
11. Does Aqua Utilities need to file an amended tariff to request permission to charge a fee for irrigation only meters? (TRA finding #8) Do we need to submit only this one amendment or submit an entirely new tariff?
12. Do the above accounting entries need to be made in year 2000 accounting year?
13. What type of G.L. account is C.I.A.C.?

CHART OF ACCOUNTS:

ASSETS:

131 CASH (NARUC 131)
141 ACCOUNTS RECEIVABLE (NARCU 141)
**** ACCUMULATED DEPRECIATION ???**
****PREPAID EXPENSE ???**

LIABILITIES:

231 SALES TAX PAYABLE (NARCU 231)
232 NOTE PAYABLE (MONTANA) (NARUC 232)
271 C.I.A.C. (NARCU 271)

**IS THERE A C.I.A.C. FOR WATER AND ANOTHER ONE FOR
WASTEWATER?**

CAPITAL:

315 COMMON STOCK ISSUED (NARCU 201)
318 RETAINED EARNINGS (NARUC 215)
319 DIVIDENDS PAID
320 CURRENT EARNINGS

WATER REVENUE:

461 METERED SALES TO RESIDENTIAL CUSTOMERS (NARCU 461)
****WATER TAP FEES ???**
****LATE CHARGES???**

WASTEWATER REVENUE

522 WASTEWATER MEASURED REVENUE (NARCU 522)
****SEWER TAP FEES ???**
****LATE CHARGES???**

WATER EXPENSE:

****DEPRECIATION EXPENSE ???**

408 TAXES OTHER THAN INCOME (NARCU 408)

610 PURCHASED WATER (NARCU 610)

615 PURCHASED POWER (NARCU 615)

620 MATERIALS AND SUPPLIES (NARCU 620)

630 CONTRACTUAL SERVICES - PROFESSIONAL (NARCU 630)

635 CONTRACTUAL SERVICES - TESTING (NARCU 635)

636 CONTRACTUAL SERVICE - OTHER (NARCU 636) - W. STOREY

655 INSURANCE EXPENSE (NARCU 655)

675 MISCELLANEOUS EXPENSE (NARCU 675)

****OFFICE EXPENSE ???**

****TELEPHONE ???**

****LICENSES & FEES ???**

****REPAIR & MAINTENANCE ???**

****INSURANCE ???**

****BANK CHARGES ???**

****WATER TAP EXPENSE ???**

WASTEWATER EXPENSE:

****DEPRECIATION EXPENSE ???**

****TAXES OTHER THAN INCOME ???**

****PURCHASED WATER ???**

715 PURCHASED POWER (NARCU 715)

720 MATERIALS & SUPPLIES (NARCU 720)

731 CONTRACTUAL SERVICES - PROFESSIONAL

735 CONTRACTUAL SERVICES - TESTING (NARCU 735)

736 CONTRACTUAL SERVICES - OTHER (NARCU 736) W. STOREY

755 INSURANCE EXPENSE (NARCU 755)

775 MISCELLANEOUS EXPENSE (NARCU 775)

****OFFICE EXPENSE ???**

****TELEPHONE ???**

****LICENSES & FEES ???**

****REPAIR & MAINTENANCE ???**

****INSURANCE ???**

****BANK CHARGES ???**

****SEWER TAP EXPENSE ???**

OTHER:

421 NONUTILITY INCOME & EXPENSE (NARCU 421)